

UNIFIED SCHOOL DISTRICT NO. 309

**FINANCIAL STATEMENT
JUNE 30, 2014**

BFR

BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

UNIFIED SCHOOL DISTRICT NO. 309
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BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

**Board of Education
Unified School District No. 309**

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures and unencumbered cash balances of **Unified School District No. 309**, as of and for the year ended **June 30, 2014** and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditors' judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Board of Education
Unified School District No. 309**

Basis for Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

As described in Note 1 of the financial statement, the financial statement is prepared by **Unified School District No. 309**, to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on Accounting Principles Generally Accepted in the United States of America

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of **Unified School District No. 309**, as of **June 30, 2014**, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of **Unified School District No. 309**, as of **June 30, 2014**, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual and budget, individual fund schedules of regulatory basis receipts and expenditures-actual, agency funds schedules of regulatory basis cash receipts and disbursements and district activity funds schedules of regulatory basis cash receipts, expenditures and unencumbered cash (Regulatory-Required Supplementary Information as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statement. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement.

**Board of Education
Unified School District No. 309**

The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statement as a whole, on the basis of accounting described in Note 1.

The 2013 Actual column presented in the individual fund schedules of regulatory basis receipts and expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual (as listed in the table of contents) is also presented for comparative analysis and is not a required part of the 2013 basic financial statement upon which we rendered an unmodified opinion dated March 4, 2014. The 2013 basic financial statement and our accompanying report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration at the following link <http://da.ks.gov/ar/muniserv/>. Such 2013 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2013 basic financial statement. The 2013 comparative information was subjected to the auditing procedures applied in the audit of the 2013 basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2013 basic financial statement or to the 2013 basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2013 comparative information is fairly stated in all material respects in relation to the 2013 basic financial statement as a whole, on the basis of accounting described in Note 1.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2014, on our consideration of **Unified School District No. 309's** internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering **Unified School District No. 309's** internal control over financial reporting and compliance.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
November 25, 2014

UNIFIED SCHOOL DISTRICT NO. 309
SUMMARY OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Unencumbered Cash Balance	Prior Year		Cash Receipts	Expenditures	Ending		Add Encumbrances and Accounts Payable	Ending Cash Balance
		Encumbrances	Canceled			Unencumbered Cash Balance	Unencumbered Cash Balance		
General Fund	\$ 0	\$ 0	\$ 0	\$ 8,046,441	\$ 8,046,441	\$ 0	\$ 0	\$ 103,169	\$ 103,169
Special Purpose Funds									
Supplemental General	91,605	0	0	2,858,568	2,742,489	207,684	207,684	129,775	337,459
At Risk (4 Year Old)	35,982	0	0	65,000	66,521	34,461	34,461	0	34,461
At Risk (K-12)	157,706	0	0	1,255,000	1,214,613	198,093	198,093	0	198,093
Bilingual Education	32,273	0	0	55,000	58,107	29,166	29,166	0	29,166
Capital Outlay	1,733,931	0	0	267,957	584,411	1,417,477	1,417,477	382,518	1,799,995
Driver Training	46,530	0	0	7,328	12,447	41,411	41,411	0	41,411
Food Service	139,426	0	0	618,569	658,555	99,440	99,440	0	99,440
Professional Development	93,909	0	0	30,000	44,865	79,044	79,044	0	79,044
Parent Education	19,266	0	0	5,000	7,029	17,237	17,237	0	17,237
Special Education	866,444	0	0	1,780,295	1,755,533	891,206	891,206	0	891,206
Vocational Education	145,385	0	0	286,019	294,240	137,164	137,164	940	138,104
KPERS Contribution	0	0	0	723,985	723,985	0	0	0	0
Federal Funds	0	0	0	302,276	300,893	1,383	1,383	0	1,383
Gifts and Grants	16,443	0	0	134,445	133,762	17,126	17,126	0	17,126
Contingency Reserve	500,000	0	0	0	0	500,000	500,000	0	500,000
Textbook and Student Material									
Revolving	89,841	0	0	58,464	43,581	104,724	104,724	0	104,724
District Activity Funds	51,818	0	0	104,309	104,926	51,201	51,201	0	51,201
Debt Service Fund	412,967	0	0	531,754	510,660	434,061	434,061	0	434,061
	<u>\$ 4,433,526</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 17,130,410</u>	<u>\$ 17,303,058</u>	<u>\$ 4,260,878</u>	<u>\$ 4,260,878</u>	<u>\$ 616,402</u>	<u>\$ 4,877,280</u>

Composition of Cash:

Checking Accounts	\$ 67,221
Savings Accounts	4,578,139
Certificate of Deposit	300,000
Agency Funds	4,945,360
	(68,080)
	<u>\$ 4,877,280</u>

The notes to the financial statement are an integral part of this statement.

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 1 - Summary of Significant Accounting Policies:

Financial Reporting Entity

Unified School District No. 309 is a municipal corporation established under State of Kansas statutes designed to meet educational requirements at the primary and secondary levels in and around Nickerson and South Hutchinson, Kansas. The District is governed by an elected seven-member Board of Education. The District's financial statement includes all funds over which the Board of Education exercises financial responsibility. Financial responsibility includes appointment of governing body members, designation of management, the ability to significantly influence operations and accountability for fiscal matters.

KMAAG Regulatory Basis of Presentation Fund Definitions:

General Fund-The primary operating fund. Used to account for all unrestricted resources except those required to be accounted for in another fund.

Special Purpose Funds-To account for the proceeds of specific receipts (other than major capital projects) that are restricted by law or administrative action to expenditure for specific purposes.

Debt Service Fund- To account for the accumulation of resources for and the payment of, interest and principal on general long-term debt.

Agency Funds-To account for resources held in a trustee or agency capacity for others which therefore cannot be used to support the government's own programs.

Regulatory Basis of Accounting and Departure from Accounting Principles Generally accepted in the United States of America

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The District has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of accounting principles generally accepted in the United States of America and allowing the municipality to use the regulatory basis of accounting.

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Budget and Tax Cycle

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), and debt service funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. There were no amendments for the year ended June 30, 2014.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the modified accrual basis of accounting, modified further by the encumbrance method of accounting. Revenues are recognized when cash is received. Expenditures include disbursements, accounts payable, and encumbrances. Encumbrances are commitments by the District for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. All unencumbered appropriations (legal budget expenditure authority) lapse at year-end.

A legal operating budget is not required for capital projects funds, trust funds, and the following special purpose funds:

Federal Funds
Contingency Reserve Fund
District Activity Funds

Gifts and Grants Fund
Textbook and Student Material Revolving Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Note 2 - Reimbursed Expenses:

The District records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as revenue to the fund. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements.

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 3 - Compensated Absences:

All permanent full-time employees are eligible for vacation and/or sick leave benefits in varying annual amounts depending on position and length of service.

It is the policy of the District to record vacation and sick leave benefits as expenditures when paid.

Note 4 - On-Behalf Payments for Fringe Benefits and Salaries:

The District recognizes as revenues and expenses contributions made by the State of Kansas to the Kansas Public Employees Retirement System (KPERs) on behalf of the District's employees. For the year ended June 30, 2014, the State made contributions of \$723,985. These contributions are recorded in the KPERs Contribution Fund as receipts and expenditures.

Note 5 - Deposits:

K.S.A. 9-1401 establishes the depositories which may be used by the Government. The statute requires banks eligible to hold the District's funds have a main or branch bank in the county in which the District is located and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The Government has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the District's investment of idle funds to time deposits, open accounts and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The District has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the District may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the Government's deposits may be returned to it. State statutes require the District's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. All deposits were legally secured at June 30, 2014.

At June 30, 2014, the District's carrying amount of deposits was \$4,945,360 and the bank balance was \$5,273,157. The bank balance is held by two banks. Of the bank balance, \$500,000 was covered by depository insurance and the remaining \$4,773,157 was collateralized with securities held by the pledging financial institution's agent in the District's name.

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 6 - Postemployment Benefits:

As provided by K.S.A. 12-5040, the District allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the government makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured. There is no cost to the government under this program.

Note 7 - Interfund Transactions:

Operating transfers in accordance with K.S.A. 72-7063 were as follows:

	Transfer to:									
	At Risk (4 Year Old)	At Risk (K-12)	Bilingual Education	Capital Outlay	Food Service	Professional Development	Parent Education	Special Education	Vocational Education	Total
Transfer from:										
General Fund	\$ 20,000	\$ 840,000	\$ 10,000	\$ 57,489	\$ 10,000	\$ 20,000	\$ 0	\$ 1,240,693	\$ 15,000	\$ 2,213,182
Supplemental										
General Fund	45,000	415,000	45,000	0	0	10,000	5,000	478,692	250,000	1,248,692
	<u>\$ 65,000</u>	<u>\$ 1,255,000</u>	<u>\$ 55,000</u>	<u>\$ 57,489</u>	<u>\$ 10,000</u>	<u>\$ 30,000</u>	<u>\$ 5,000</u>	<u>\$ 1,719,385</u>	<u>\$ 265,000</u>	<u>\$ 3,461,874</u>

Note 8 - Defined Benefit Pension Plan:

Plan Description

The District participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing, multiple-employer, defined benefit pension plan as provided by K.S.A. 74-4901, et seq. KPERS provides retirement benefits, life insurance, disability income benefits, and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS (611 S Kansas Ave, Suite 100, Topeka, KS 66603-3869) or by calling 1-888-275-5737.

Funding Policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at a minimum of 4% of covered salary. Member-employees' contributions are withheld by their employer and paid to KPERS according to the provisions of section 414(h) of the Internal Revenue Code. The State of Kansas is required to contribute the remaining amount necessary to achieve the actuarially determined contribution rate. Kansas contributed 11.12% of covered payroll for the year ended June 30, 2014. These contribution requirements are established by KPERS and are periodically revised. Kansas contributions to KPERS for all Kansas public school employees for the years ending June 30, 2014, 2013, and 2012 were \$361,575,393, \$323,067,803 and \$298,635,383 respectively, equal to the required contributions for each year.

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Note 9 - Contingencies:

Grant Programs

The District participates in various federal and state grant programs. These grant programs are often subject to additional audits by agents of the granting agency, the purpose of which is to ensure compliance with the specific conditions of the grant. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not materially exceeded commercial insurance coverage in any of the past three years.

Note 10 - Subsequent Events:

The District has evaluated subsequent events through November 25, 2014, the date which the financial statement was available to be issued.

Note 11 - Advance Refunding of Bond Obligation:

On July 1, 2005, the District issued \$4,625,000 of General Obligation Bonds with interest rates ranging from 3.00% to 4.00%. Of the issues \$4,513,932 was used to purchase U.S. government securities. Those securities were deposited with an escrow agent to provide for the future debt service payments on a portion of the 1999 Series Bonds. As a result, this portion of the 1999 Series Bonds is considered defeased and not included in long-term debt.

Note 12 - Long-Term Debt:

Principal payments are due annually for general obligation bonds on September 1. Interest payments are due semi-annually on March 1 and September 1.

Lease payments are due monthly.

Terms for long-term liabilities for the District for the year ended June 30, 2014 were as follows:

Issue	Interest Rate	Date of Issue	Amount of Issue	Date of Final Maturity
General Obligation Bonds 2005 Series	3.00 - 4.00	7/1/05	\$ 4,625,000	9/1/19

UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO FINANCIAL STATEMENT
JUNE 30, 2014

Changes in long-term liabilities for the District for the year ended June 30, 2014 were as follows:

Issue	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds 2005 Series	\$ 3,030,000	\$ 0	\$ 405,000	\$ 2,625,000	\$ 105,660
	<u>3,030,000</u>	<u>0</u>	<u>405,000</u>	<u>2,625,000</u>	<u>105,660</u>
	<u>\$ 3,030,000</u>	<u>\$ 0</u>	<u>\$ 405,000</u>	<u>\$ 2,625,000</u>	<u>\$ 105,660</u>

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Principal		Interest		
	General Obligation Bonds	Total Principal	General Obligation Bonds	Total Interest	Total Principal and Interest
2015	\$ 425,000	\$ 425,000	\$ 91,337	\$ 91,337	\$ 516,337
2016	440,000	440,000	75,980	75,980	515,980
2017	460,000	460,000	59,550	59,550	519,550
2018	480,000	480,000	41,920	41,920	521,920
2019	500,000	500,000	22,800	22,800	522,800
2020	320,000	320,000	6,400	6,400	326,400
	<u>\$ 2,625,000</u>	<u>\$ 2,625,000</u>	<u>\$ 297,987</u>	<u>\$ 297,987</u>	<u>\$ 2,922,987</u>

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

UNIFIED SCHOOL DISTRICT NO. 309
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Certified Budget	Adjustment to		Adjustment for	Total Budget for	Expenditures	Variance - Over
		Comply with	Legal Max	Qualifying	Comparison	Chargeable to	
				Budget Credits		Current Year	(Under)
General Fund	\$ 8,078,606	\$ (78,679)	\$	46,514	\$ 8,046,441	\$ 8,046,441	\$ 0
Special Purpose Funds							
Supplemental General	2,738,730	(25,765)		29,524	2,742,489	2,742,489	0
At Risk (4 Year Old)	67,300	0		0	67,300	66,521	(779)
At Risk (K-12)	1,217,000	0		0	1,217,000	1,214,613	(2,387)
Bilingual Education	59,100	0		0	59,100	58,107	(993)
Capital Outlay	870,000	0		0	870,000	584,411	(285,589)
Driver Training	13,030	0		0	13,030	12,447	(583)
Food Service	688,550	0		0	688,550	658,555	(29,995)
Professional Development	52,110	0		0	52,110	44,865	(7,245)
Parent Education	8,000	0		0	8,000	7,029	(971)
Special Education	1,811,000	0		0	1,811,000	1,755,533	(55,467)
Vocational Education	315,000	0		0	315,000	294,240	(20,760)
KPERS Contribution	726,162	0		0	726,162	723,985	(2,177)
Federal Funds	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	300,893	XXXXXXX
Gifts and Grants	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	133,762	XXXXXXX
Contingency Reserve	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	0	XXXXXXX
Textbook and Student Material							
Revolving	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	43,581	XXXXXXX
District Activity Funds	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	XXXXXXX	104,926	XXXXXXX
Debt Service Fund	510,661	0		0	510,661	510,660	(1)
	\$ 17,155,249	\$ (104,444)	\$	76,038	\$ 17,126,843	\$ 17,303,058	\$ (406,947)

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>General Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,188,503	\$ 1,241,852	\$ 1,183,023	\$ 58,829
County Sources	3,330	4,508	1,628	2,880
State Sources	6,898,916	6,768,218	6,893,955	(125,737)
Federal Sources	33,204	31,863	0	31,863
	<u>8,123,953</u>	<u>8,046,441</u>	<u>\$ 8,078,606</u>	<u>\$ (32,165)</u>
Expenditures				
Instruction	2,873,411	2,954,996	\$ 2,920,892	\$ 34,104
Student Support Services	231,256	239,248	237,700	1,548
Instructional Support Staff	190,376	256,253	196,800	59,453
General Administration	353,918	285,962	330,683	(44,721)
School Administration	580,168	584,401	587,839	(3,438)
Operations & Maintenance	916,827	903,731	924,300	(20,569)
Student Transportation Services	564,295	520,015	591,750	(71,735)
Other Supplemental Services	81,213	88,653	84,375	4,278
Transfers	2,332,489	2,213,182	2,204,267	8,915
Adjustment to Comply With Legal Max	0	0	(78,679)	78,679
Adjustment for Qualifying Budget Credits	0	0	46,514	(46,514)
	<u>8,123,953</u>	<u>8,046,441</u>	<u>\$ 8,046,441</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	0	0		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Supplemental General Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Local Sources	\$ 1,469,998	\$ 1,617,325	\$ 1,473,554	\$ 143,771
County Sources	200,110	254,835	194,118	60,717
State Sources	1,019,221	986,408	979,452	6,956
	<u>2,689,329</u>	<u>2,858,568</u>	<u>\$ 2,647,124</u>	<u>\$ 211,444</u>
Expenditures				
Instruction	467,173	651,867	\$ 482,500	\$ 169,367
Student Support Services	51,171	52,677	53,980	(1,303)
Instructional Support Staff	33,892	178,251	31,000	147,251
General Administration	132,160	58,203	138,000	(79,797)
School Administration	0	0	0	0
Operations & Maintenance	278,712	396,395	257,200	139,195
Student Transportation Services	60,029	30,383	132,000	(101,617)
Food Service Operation	11,355	12,825	0	12,825
Other Supplemental Services	387,702	111,196	404,050	(292,854)
Architectural & Engineering Services	70,500	2,000	0	2,000
Community Services Operation	0	0	0	0
Transfers	1,240,000	1,248,692	1,240,000	8,692
Adjustment to Comply With Legal Max	0	0	(25,765)	25,765
Adjustment for Qualifying Budget Credits	0	0	29,524	(29,524)
	<u>2,732,694</u>	<u>2,742,489</u>	<u>\$ 2,742,489</u>	<u>\$ 0</u>
Receipts Over (Under) Expenditures	(43,365)	116,079		
Unencumbered Cash, Beginning	134,970	91,605		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 91,605</u>	<u>\$ 207,684</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>At Risk Fund (4 Year Old)</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers	\$ 65,000	\$ 65,000	\$ 65,000	\$ 0
	<u>65,000</u>	<u>65,000</u>	<u>65,000</u>	<u>0</u>
Expenditures				
Instruction	63,851	66,521	\$ 67,300	\$ (779)
	<u>63,851</u>	<u>66,521</u>	<u>\$ 67,300</u>	<u>\$ (779)</u>
Receipts Over (Under) Expenditures	1,149	(1,521)		
Unencumbered Cash, Beginning	34,833	35,982		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 35,982</u>	<u>\$ 34,461</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>At Risk Fund (K-12)</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Local Sources	\$ 780	\$ 0	\$ 0	\$ 0
Transfers	<u>1,180,000</u>	<u>1,255,000</u>	<u>1,200,000</u>	<u>55,000</u>
	<u>1,180,780</u>	<u>1,255,000</u>	<u>\$ 1,200,000</u>	<u>\$ 55,000</u>
Expenditures				
Instruction	<u>1,191,424</u>	<u>1,214,613</u>	<u>\$ 1,217,000</u>	<u>\$ (2,387)</u>
	<u>1,191,424</u>	<u>1,214,613</u>	<u>\$ 1,217,000</u>	<u>\$ (2,387)</u>
Receipts Over (Under) Expenditures	(10,644)	40,387		
Unencumbered Cash, Beginning	168,350	157,706		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 157,706</u>	<u>\$ 198,093</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Bilingual Education Fund</u>	Prior Year	Current Year		Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
Local Sources	\$ 2,790	\$ 0	\$ 3,000	\$ (3,000)
Transfers	<u>45,000</u>	<u>55,000</u>	<u>55,000</u>	<u>0</u>
	<u>47,790</u>	<u>55,000</u>	<u>\$ 58,000</u>	<u>\$ (3,000)</u>
Expenditures				
Instruction	<u>48,503</u>	<u>58,107</u>	<u>\$ 59,100</u>	<u>\$ (993)</u>
	<u>48,503</u>	<u>58,107</u>	<u>\$ 59,100</u>	<u>\$ (993)</u>
Receipts Over (Under) Expenditures	(713)	(3,107)		
Unencumbered Cash, Beginning	32,986	32,273		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 32,273</u>	<u>\$ 29,166</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Capital Outlay Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Local Sources	\$ 179,505	\$ 153,210	\$ 172,042	\$ (18,832)
County Sources	18,063	22,392	17,073	5,319
State Sources	0	4,102	0	4,102
Federal Sources	0	30,764	0	30,764
Transfers	191,078	57,489	0	57,489
	<u>388,646</u>	<u>267,957</u>	<u>\$ 189,115</u>	<u>\$ 78,842</u>
Expenditures				
Instruction	70,354	78,751	\$ 120,000	\$ (41,249)
Instructional Support Staff	0	1,573	0	1,573
General Administration	6,517	0	10,000	(10,000)
School Administration	0	0	20,000	(20,000)
Operations & Maintenance	1,121	1,371	60,000	(58,629)
Transportation	0	59,990	150,000	(90,010)
Food Service Operation	10,989	1,401	0	1,401
Facility Acquisition & Construction Services	442,848	441,325	510,000	(68,675)
	<u>531,829</u>	<u>584,411</u>	<u>\$ 870,000</u>	<u>\$ (285,589)</u>
Receipts Over (Under) Expenditures	(143,183)	(316,454)		
Unencumbered Cash, Beginning	1,877,114	1,733,931		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 1,733,931</u>	<u>\$ 1,417,477</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Driver Training Fund</u>	Prior Year	Current Year		Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
Local Sources	\$ 8,687	\$ 4,098	\$ 9,000	\$ (4,902)
State Sources	3,069	3,230	4,370	(1,140)
	<u>11,756</u>	<u>7,328</u>	<u>\$ 13,370</u>	<u>\$ (6,042)</u>
Expenditures				
Instruction	<u>8,659</u>	<u>12,447</u>	<u>\$ 13,030</u>	<u>\$ (583)</u>
	<u>8,659</u>	<u>12,447</u>	<u>\$ 13,030</u>	<u>\$ (583)</u>
Receipts Over (Under) Expenditures	3,097	(5,119)		
Unencumbered Cash, Beginning	43,433	46,530		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 46,530</u>	<u>\$ 41,411</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Food Service Fund</u>	Prior Year Actual	<u>Current Year</u>		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Local Sources	\$ 168,728	\$ 172,694	\$ 202,900	\$ (30,206)
State Sources	6,523	5,500	6,640	(1,140)
Federal Sources	425,274	430,375	456,987	(26,612)
Transfers	0	10,000	0	10,000
	<u>600,525</u>	<u>618,569</u>	<u>\$ 666,527</u>	<u>\$ (47,958)</u>
Expenditures				
School Administration	32,913	36,731	\$ 0	\$ 36,731
Operations & Maintenance	9,000	8,442	14,550	(6,108)
Food Service Operations	626,064	613,382	674,000	(60,618)
	<u>667,977</u>	<u>658,555</u>	<u>\$ 688,550</u>	<u>\$ (29,995)</u>
Receipts Over (Under) Expenditures	(67,452)	(39,986)		
Unencumbered Cash, Beginning	206,878	139,426		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 139,426</u>	<u>\$ 99,440</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Professional Development Fund</u>	<u>Current Year</u>			<u>Variance - Over (Under)</u>
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
Transfers	<u>\$ 40,000</u>	<u>\$ 30,000</u>	<u>\$ 40,000</u>	<u>\$ (10,000)</u>
	<u>40,000</u>	<u>30,000</u>	<u>40,000</u>	<u>(10,000)</u>
Expenditures				
Instructional Support Staff	0	0	\$ 5,110	\$ (5,110)
Other Supplemental Services	<u>41,941</u>	<u>44,865</u>	<u>47,000</u>	<u>(2,135)</u>
	<u>41,941</u>	<u>44,865</u>	<u>\$ 52,110</u>	<u>\$ (7,245)</u>
Receipts Over (Under) Expenditures	(1,941)	(14,865)		
Unencumbered Cash, Beginning	95,850	93,909		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 93,909</u>	<u>\$ 79,044</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Parent Education Fund</u>	Prior Year Actual	Current Year		Variance - Over (Under)
		Actual	Budget	
Cash Receipts				
Transfers	\$ 5,000	\$ 5,000	\$ 5,000	\$ 0
	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>0</u>
Expenditures				
Student Support Services	6,814	7,029	\$ 8,000	\$ (971)
	<u>6,814</u>	<u>7,029</u>	<u>\$ 8,000</u>	<u>\$ (971)</u>
Receipts Over (Under) Expenditures	(1,814)	(2,029)		
Unencumbered Cash, Beginning	21,080	19,266		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 19,266</u>	<u>\$ 17,237</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Special Education Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	Prior Year Actual	Actual	Budget	
Cash Receipts				
Federal Sources	\$ 39,009	\$ 60,910	\$ 25,000	\$ 35,910
Transfers	<u>1,755,411</u>	<u>1,719,385</u>	<u>1,799,267</u>	<u>(79,882)</u>
	<u>1,794,420</u>	<u>1,780,295</u>	<u>\$ 1,824,267</u>	<u>\$ (43,972)</u>
Expenditures				
Instruction	1,420,920	1,453,832	\$ 1,500,000	\$ (46,168)
Student Transportation Services	271,202	298,484	311,000	(12,516)
Other Supplemental Services	<u>3,901</u>	<u>3,217</u>	<u>0</u>	<u>3,217</u>
	<u>1,696,023</u>	<u>1,755,533</u>	<u>\$ 1,811,000</u>	<u>\$ (55,467)</u>
Receipts Over (Under) Expenditures	98,397	24,762		
Unencumbered Cash, Beginning	768,047	866,444		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 866,444</u>	<u>\$ 891,206</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Vocational Education Fund</u>		<u>Current Year</u>		
	Prior Year			Variance -
	Actual	Actual	Budget	Over (Under)
Cash Receipts				
Local Sources	\$ 13,090	\$ 14,829	\$ 13,000	\$ 1,829
State Sources	4,597	6,190	9,425	(3,235)
Transfers	291,000	265,000	280,000	(15,000)
	<u>308,687</u>	<u>286,019</u>	<u>\$ 302,425</u>	<u>\$ (16,406)</u>
Expenditures				
Instruction	299,308	294,240	\$ 315,000	\$ (20,760)
	<u>299,308</u>	<u>294,240</u>	<u>\$ 315,000</u>	<u>\$ (20,760)</u>
Receipts Over (Under) Expenditures	9,379	(8,221)		
Unencumbered Cash, Beginning	136,006	145,385		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	\$ 145,385	\$ 137,164		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>KPERS Contribution Fund</u>	<u>Current Year</u>			Variance - Over (Under)
	<u>Prior Year Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash Receipts				
State Sources	<u>\$ 567,314</u>	<u>\$ 723,985</u>	<u>\$ 726,162</u>	<u>\$ (2,177)</u>
	<u>567,314</u>	<u>723,985</u>	<u>\$ 726,162</u>	<u>\$ (2,177)</u>
Expenditures				
Instruction	340,388	434,391	\$ 449,405	\$ (15,014)
Student Support Services	28,365	36,199	34,323	1,876
Instructional Support Staff	28,365	36,199	34,323	1,876
General Administration	28,365	36,199	34,323	1,876
School Administration	45,386	57,919	54,916	3,003
Other Supplemental Services	17,019	21,720	21,594	126
Operations & Maintenance	45,386	57,919	56,093	1,826
Student Transportation Services	17,019	21,720	20,591	1,129
Food Service	17,021	21,719	20,594	1,125
	<u>567,314</u>	<u>723,985</u>	<u>\$ 726,162</u>	<u>\$ (2,177)</u>
Receipts Over (Under) Expenditures	0	0		
Unencumbered Cash, Beginning	0	0		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 0</u>	<u>\$ 0</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES -
ACTUAL AND BUDGET
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Bond and Interest Fund</u>	Prior Year	<u>Current Year</u>		Variance -
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Over (Under)</u>
Cash Receipts				
Local Sources	\$ 302,945	\$ 324,156	\$ 315,185	\$ 8,971
County Sources	45,957	54,400	41,381	13,019
State Sources	147,604	153,198	153,198	0
	<u>496,506</u>	<u>531,754</u>	<u>\$ 509,764</u>	<u>\$ 21,990</u>
Expenditures				
Debt Service	508,980	510,660	\$ 510,661	\$ (1)
	<u>508,980</u>	<u>510,660</u>	<u>\$ 510,661</u>	<u>\$ (1)</u>
Receipts Over (Under) Expenditures	(12,474)	21,094		
Unencumbered Cash, Beginning	425,441	412,967		
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>		
Unencumbered Cash, Ending	<u>\$ 412,967</u>	<u>\$ 434,061</u>		

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

<u>Federal Funds</u>			
		Prior Year Actual	Current Year Actual
Cash Receipts			
Local Sources		\$ 0	\$ 9,000
Federal Sources		340,613	293,276
		<u>340,613</u>	<u>302,276</u>
Expenditures			
Instruction		339,698	296,729
Instructional Support Staff		675	823
Student Support Services		1,079	3,341
		<u>341,452</u>	<u>300,893</u>
Receipts Over (Under) Expenditures		(839)	1,383
Unencumbered Cash, Beginning		839	0
Prior Year Canceled Encumbrances		<u>0</u>	<u>0</u>
Unencumbered Cash, Ending		<u>\$ 0</u>	<u>\$ 1,383</u>

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Gifts and Grants Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 121,822	\$ 113,575
State Sources	8,694	10,012
Federal Sources	106,012	10,858
	<u>236,528</u>	<u>134,445</u>
Expenditures		
Instruction	201,012	129,638
School Administration	36,429	3,801
Student Transportation Services	385	0
Food Service Operation	2,250	323
	<u>240,076</u>	<u>133,762</u>
Receipts Over (Under) Expenditures	(3,548)	683
Unencumbered Cash, Beginning	19,991	16,443
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 16,443</u>	<u>\$ 17,126</u>

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Contingency Reserve Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Transfers	\$ 0	\$ 0
	<u>0</u>	<u>0</u>
Expenditures	<u>0</u>	<u>0</u>
	<u>0</u>	<u>0</u>
Receipts Over (Under) Expenditures	0	0
Unencumbered Cash, Beginning	500,000	500,000
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 500,000</u>	<u>\$ 500,000</u>

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF CASH RECEIPTS AND EXPENDITURES - ACTUAL
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Actual Totals for the Prior Year Ended June 30, 2013)

Textbook and Student Material Revolving Fund

	Prior Year Actual	Current Year Actual
Cash Receipts		
Local Sources	\$ 58,447	\$ 58,464
	<u>58,447</u>	<u>58,464</u>
Expenditures		
Instruction	<u>51,023</u>	<u>43,581</u>
	<u>51,023</u>	<u>43,581</u>
Receipts Over (Under) Expenditures	7,424	14,883
Unencumbered Cash, Beginning	82,417	89,841
Prior Year Canceled Encumbrances	<u>0</u>	<u>0</u>
Unencumbered Cash, Ending	<u>\$ 89,841</u>	<u>\$ 104,724</u>

UNIFIED SCHOOL DISTRICT NO. 309
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Cash Balance	Cash Receipts	Cash Disbursements	Ending Cash Balance
Nickerson High School				
Class of 2011	\$ 5	\$ 0	\$ 0	\$ 5
Class of 2012	46	0	0	46
Class of 2013	112	0	0	112
Class of 2014	401	85	297	189
Class of 2015	718	6,958	6,821	855
Class of 2016	628	1,057	667	1,018
Class of 2017	0	290	5	285
Cheerleaders	696	10,630	9,241	2,085
Debate	559	2,694	3,284	(31)
Forensics	0	840	3,225	(2,385)
FBLA	17	1,836	1,853	0
FCCLA	1,390	1,111	1,371	1,130
Spanish Club	178	2,234	2,400	12
Key Club	509	1,096	1,124	481
National Honor Society	339	0	172	167
Instrumental Music	0	9,389	8,746	643
Vocal Music	783	178	391	570
Madrigals	2,162	1,453	1,811	1,804
Yearbook/Publications	0	16,055	13,359	2,696
SAVE/SADD	586	0	0	586
Leadership Academy	386	0	386	0
Scholars Bowl	218	0	40	178
Productions/Musical	0	5,500	1,478	4,022
School Play	0	100	0	100
Science Club	1,699	1,091	1,801	989
Renaissance	551	0	0	551
Drama Club	138	0	163	(25)
Drill Team	485	0	0	485
Skills USA	577	1,150	892	835
STUCO-General	186	4,413	3,826	773
Entrepreneurship	0	1,517	690	827
Book Club	0	120	68	52
FCA	0	1,588	1,559	29
Scholarships	205	0	0	205
Education Fund	1,703	437	1,348	792
Hutchinson Community				
Foundation Grant	364	0	0	364
Prairie Quilt Guild Grant	1,107	1,000	789	1,318
Sales Tax	0	5,982	5,982	0
	<u>16,748</u>	<u>78,804</u>	<u>73,789</u>	<u>21,763</u>

UNIFIED SCHOOL DISTRICT NO. 309
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements	Balance	
Nickerson Elementary School					
Student Council	\$ 23,404	\$ 18,121	\$ 14,658	\$ 26,867	
	<u>23,404</u>	<u>18,121</u>	<u>14,658</u>	<u>26,867</u>	

UNIFIED SCHOOL DISTRICT NO. 309
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements	Balance	
Reno Valley Middle School					
7th Grade	\$ 888	\$ 1,652	\$ 1,435	\$ 1,105	
8th Grade	965	2,546	2,548	963	
PAWS	668	5,978	6,001	645	
Instrumental Music	0	1,339	224	1,115	
Vocal Music	2,735	7,756	10,491	0	
Yearbook/Publications	944	1,650	658	1,936	
STUCO-General	1,066	185	493	758	
Art Club	4	250	0	254	
Sales Tax	0	350	350	0	
	<u>7,270</u>	<u>21,706</u>	<u>22,200</u>	<u>6,776</u>	

UNIFIED SCHOOL DISTRICT NO. 309
AGENCY FUNDS
SCHEDULE OF CASH RECEIPTS AND CASH DISBURSEMENTS
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Cash		Cash		Ending Cash
	Balance	Cash Receipts	Disbursements	Balance	
South Hutchinson Elementary School					
Spirit Club	\$ 1,346	\$ 3,845	\$ 2,482	\$ 2,709	
Spirit Club - Special	1,116	0	1,116	0	
Spirit Club - Library AR	328	564	892	0	
Yearbook	1,991	1,776	2,142	1,625	
Stuco	9,084	7,106	7,850	8,340	
	<u>13,865</u>	<u>13,291</u>	<u>14,482</u>	<u>12,674</u>	
Total Agency Funds	\$ 61,287	\$ 131,922	\$ 125,129	\$ 68,080	

UNIFIED SCHOOL DISTRICT NO. 309
DISTRICT ACTIVITY FUNDS
SCHEDULE OF CASH RECEIPTS, EXPENDITURES,
AND UNENCUMBERED CASH
REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2014

Fund	Beginning Unencumbered Cash Balance	Prior Year		Cash Receipts	Expenditures	Ending		Add		Ending Cash Balance
		Encumbrances	Canceled			Unencumbered Cash Balance	Encumbrances and Accounts Payable			
Nickerson High School										
Athletics	\$ 20,587	\$ 0		\$ 52,434	\$ 40,418	\$ 32,603	\$ 0	\$ 0	\$ 32,603	
Instrumental Music	600	0		0	600	0	0	0	0	
Productions/Musical	4,489	0		0	4,489	0	0	0	0	
Concession/Vending Machines	7,448	0		38,064	42,029	3,483	0	0	3,483	
Publications	8,996	0		0	8,996	0	0	0	0	
	<u>42,120</u>	<u>0</u>		<u>90,498</u>	<u>96,532</u>	<u>36,086</u>	<u>0</u>	<u>0</u>	<u>36,086</u>	
Reno Valley Middle School										
Athletics	1,368	0		3,847	3,866	1,349	0	0	1,349	
School Projects	7,094	0		4,693	4,168	7,619	0	0	7,619	
	<u>8,462</u>	<u>0</u>		<u>8,540</u>	<u>8,034</u>	<u>8,968</u>	<u>0</u>	<u>0</u>	<u>8,968</u>	
South Hutchinson Elementary School										
HCF Grant-2012 Pre-K to 2nd Grade	585	0		(225)	360	0	0	0	0	
HCF Grant-2011 Pre-K to 2nd Grade	0	0		464	0	464	0	0	464	
HCF Grant-Rewards	173	0		0	0	173	0	0	173	
Class of '62	228	0		0	0	228	0	0	228	
Pepsi Grant	250	0		0	0	250	0	0	250	
Lowes Grant	0	0		5,000	0	5,000	0	0	5,000	
Autymn Givens-Scott Memorial	0	0		32	0	32	0	0	32	
	<u>1,236</u>	<u>0</u>		<u>5,271</u>	<u>360</u>	<u>6,147</u>	<u>0</u>	<u>0</u>	<u>6,147</u>	
Total District Activity Funds	\$ 51,818	\$ 0		\$ 104,309	\$ 104,926	\$ 51,201	\$ 0	\$ 0	\$ 51,201	

FEDERAL AWARD INFORMATION



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE
AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

INDEPENDENT AUDITORS' REPORT

**Board of Education
Unified School District No. 309**

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statement of **Unified School District No. 309**, as of and for the year ended **June 30, 2014**, and the related notes to the financial statement, which collectively comprise **Unified School District No. 309's** basic financial statement, and have issued our report thereon dated November 25, 2014. In our report, our opinion on the financial statement was unqualified based on the prescribed basis of accounting that demonstrates compliance with the *Kansas Municipal Audit and Accounting Guide* which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statement, we considered **Unified School District No. 309's** internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statement, but not for the purpose of expressing an opinion on the effectiveness of **Unified School District No. 309's** internal control. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 309's** internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statement will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

**Board of Education
Unified School District No. 309**

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether **Unified School District No. 309's** financial statement is free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
November 25, 2014



BUSBY FORD & REIMER, LLC

CERTIFIED PUBLIC ACCOUNTANTS

**REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND REPORT ON INTERNAL
CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133**

INDEPENDENT AUDITORS' REPORT

**Board of Education
Unified School District No. 309**

Report on Compliance for Each Major Federal Program

We have audited **Unified School District No. 309's** compliance with the types of compliance requirements described in the *OMB Circular A-133, Compliance Supplement* that could have a direct and material effect on each of **Unified School District No. 309's** major federal programs for the year ended **June 30, 2014**. **Unified School District No. 309's** major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of **Unified School District No. 309's** major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about **Unified School District No. 309's** compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of **Unified School District No. 309's** compliance.

**Board of Education
Unified School District No. 309**

Opinion on Each Major Federal Program

In our opinion, **Unified School District No. 309**, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended **June 30, 2014**.

Report on Internal Control Over Compliance

Management of **Unified School District No. 309**, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit, we considered **Unified School District No. 309's** internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of **Unified School District No. 309's** internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weakness may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Busby Ford & Reimer, LLC

Busby Ford & Reimer, LLC
November 25, 2014

UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014

Grant Title (Passes Through Kansas Department of Education)	Federal CFDA No.	Program Amount	Unencumbered		Receipts	Expenditures	Unencumbered Cash 6-30-14
			7-1-13	Cash			
Department of Agriculture							
Child Nutrition Cluster-Cluster							
School Breakfast Program	10.553	\$ 102,517	\$ 0	\$ 0	\$ 102,517	\$ 102,517	\$ 0
National School Lunch Program	10.555	327,858	0	0	327,858	327,858	0
Fresh Fruits & Vegetables	10.582	10,858	0	0	10,858	10,858	0
		441,233	0	0	441,233	441,233	0
Department of Education							
Title I Grants to Local Educational Agencies	84.010	219,203	0	0	219,203	219,203	0
Improving Teacher Quality State Grants	84.367	64,692	0	0	64,692	64,692	0
		283,895	0	0	283,895	283,895	0
(Passes Through Kansas SRS)							
Department of Health and Human Services							
Medicaid Cluster-Cluster							
Medical Assistance Program	93.778	92,773	0	0	92,773	92,773	0
(Passes Through Reno County Treasurer)							
Department of Justice							
Juvenile Justice and Delinquency Prevention	16.540	9,381	0	0	9,381	9,381	0
(Passes Through Kansas Division of Emergency Management)							
Department of Homeland Security							
Disaster Grants	97.036	30,764	0	0	30,764	30,764	0
Total Federal Awards		\$ 858,046	\$ 0	\$ 0	\$ 858,046	\$ 858,046	\$ 0

**UNIFIED SCHOOL DISTRICT NO. 309
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Note 1 - Basis of Presentation:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of **Unified School District No. 309**, and is prepared on the basis of accounting as described in Note 1 of the notes to the financial statement. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations."

**UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

SUMMARY OF AUDIT RESULTS

1. The independent auditors' report expresses an unmodified opinion on the financial statement of **Unified School District No. 309**.
2. No significant deficiencies or material weaknesses were reported in the Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statement of **Unified School District No. 309** were disclosed during the audit.
4. No significant deficiencies or material weakness were reported in the Report On Compliance For Each Major Program And Report On Internal Control Over Compliance Required By OMB Circular A-133.
5. The independent auditors' report on compliance for the major federal award programs for **Unified School District No. 309** expresses an unqualified opinion on all federal award programs.
6. There were no audit findings relative to the major federal award programs for **Unified School District No. 309**.
7. The programs tested as major programs were:

Child Nutrition Cluster-Cluster	
School Breakfast Program	10.553
National School Lunch Program	10.555
8. The threshold for distinguishing Types A and B programs was \$300,000.
9. **Unified School District No. 309** was determined to not be a low-risk auditee.

**UNIFIED SCHOOL DISTRICT NO. 309
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

There are no prior audit findings.